GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy Department – Renewable Energy – Formation of Andhra Pradesh Green Energy Corporation Limited – Orders – Issued.

ENERGY (POWER.I) DEPARTMENT

G.O.Ms.No.5 Dated:15-02-2020.

O R D E R:

The state is incurring more than Rs. 10,000 Crores to meet the Agriculture subsidy, Lift Irrigation power charges and aquaculture subsidy every year. Further, this subsidy has been continuously increasing over years on account of increasing cost of power supply as well as increase in number of pump sets.

2. In order to ensure that this subsidy is provided on a sustainable basis, there is a need for evolving an alternative mechanism to provide quality power and nine-hour day-time free supply to farmers.

3. Solar energy has the potential to fulfil the above requirements due to its lower cost compared to the current average procurement cost of Discoms and also due to the fact that all solar power is generated during daytime. In order to provide free power supply to the agriculture sector and Lift Irrigation schemes, the total capacity of Solar Plants required is likely to be approximately 10,000 MW (including the projected annual increase in agricultural demand).

4. The Hon'ble Chief Minister has also announced in the Assembly that the Government is contemplating to establish approximately 10,000 MW Solar Power Projects as a permanent to solution to supply free power to farmers.

5. Taking all the above factors into consideration and after careful examination, Government have decided to form the Andhra Pradesh Green Energy Corporation Limited for establishment of 10,000 MW Solar Power Projects in the State to ensure nine hours day time free power supply to the Agriculture sector on a sustainable basis.

6. Accordingly, Government hereby accord permission for formation of the Andhra Pradesh Green Energy Corporation Limited (APGECL) (which will establish 10,000 MW of Solar Power Projects in the State) under the provisions of the Companies Act, 2013. The following is also ordered:

1) The Andhra Pradesh Green Energy Corporation Limited shall be a 100% subsidiary of AP Genco.

2) Till such time as APGECL is able to generate its own income, the entire expenditure (Including salaries of the CMD and all staff) for running the company shall be borne by AP Genco. The same shall be reimbursed to AP Genco over a period of time, once APGECL is able to generate its own income.

3) AP Genco shall lease out the required premises to house the new company. The required lease rental shall also be paid by AP Genco till such a time as APGECL is in a position to pay the same.

4) AP Genco shall provide all technical and professional staff, including but not limited to Engineers, as requested by APGECL on lien basis and shall also continue to pay the salaries of all such staff. The arrangement shall continue till such time as APGECL is in a position to pay salaries and allowances on its own. The salaries thus paid shall be reimbursed by APGECL at a later stage. This shall supersede any existing rules (including deputation rules) in this regard.

5) AP Transco, AP Discoms and APSPCL shall provide all required technical staff including Engineers, as requested by APGECL on lien basis and shall also continue to pay the salaries of all such staff till APGECL is in a position to pay salaries and allowances on its own. The salaries thus paid shall be reimbursed by APGECL at a later stage. This shall supersede any existing rules (including deputation rules) in this regard.

6) APGECL shall hire all other required staff and consultancy support from the open market on contract basis and on work outsourcing basis. The cost of the same shall be borne by AP Genco till such time as APGECL is develops the necessary income stream so as to be able to pay such costs from their own funds. All such expenditure shall be reimbursed by APGECL at a later stage.

7) The CMD, APGECL shall be empowered to take necessary steps to remove any hurdles in achieving the mandate of the organisation.

7. The following Officers/Staff is hereby sanctioned to function the said Organization: -

Sl.No.	Post	No of Posts required	Method of Recruitment	Remuneration
1.	Chairman & Managing Director	1	Post the IAS Officer in the rank of Prl. Secretary to Govt/Secretary to Govt/Ex Officio Secretary to Govt/ Additional Secretary to Govt	As per Government Rules.
2.	Chief Executive Officer	1	Open Market	As per the Market Rates
3.	Director, Technical	1	Open Market	As per Market Rates
4.	Director, Finance	1	Open Market	As per Market Rates
5.	Superintendent Engineer	2	Deputation	As per rules
6.	Senior Accounts Officer	1	Deputation	As per rules
7.	Executive Engineer	8	Deputation	As per rules
8.	Deputy Executive Engineer	18	Deputation	As per rules
9.	Assistant Executive Engineer/ Graduate Engineer	24	Contract	As per Market
10	Deputy Collector	1	Deputation	As per rules
11	Tahsildars	2	Deputation	As per rules
12	Deputy Tahsildars	4	Deputation	As per rules
13	Accounts Officer	2	Deputation/ Open Market(Contract Basis	As per Market
14	Junior Accounts Officer	2	Outsourcing	As per rules
15	Personal Officer	1	Outsourcing	As per rules
16	Junior Personal Officer	1	Outsourcing	As per rules
17	Data Entry Operator	03	Outsourcing	As per rules
18	Office Subordinate	03	Outsourcing	As per rules.

8. The above proposed Andhra Pradesh Green Energy Corporation Limited shall be incorporated under relevant provisions of the Companies Act with the following:-

I. Names for the new entity :

Andhra Pradesh Green Energy Corporation Limited.
(A Subsidiary of AP GENCO).

II. Authorized Share Capital: The authorized share capital of the company is Rs.15 Lakhs (Rupees Fifteen Lakhs) divided into 1, 50,000 (One Lakh Fifty thousand) equity shares of Rs.10/- (Rupees Ten) each.

III. Paid up capital (Initially for incorporation): The paid up capital of the company is Rs.10,00,080/- (Rupees Ten Lakhs and Eighty only) and the amount shall be paid to the new Company by the MD APGENCO after incorporation of the Company on behalf of AP GENCO/ Nominees of Government.

IV. Initial/First Directors:

i. G.Sai Prasad, IAS., Chairman & Managing Director, APSPCL
ii. Dr.Srikanth Nagulapalli, IAS., CMD/AP TRANSCO
iii. Sri B.Sreedhar, IAS., Managing Director/AP GENCO
iv. B.A.V.P.Kumara Reddy, Deputy Secretary to Govt, Energy Department

Note: The above Directors will be for incorporation of the New Company only. The Government shall appoint new Directors after incorporation/ Commencement of Business of the Company for running the business of the Company.

Subscribers to the Memorandum:1 to 9 (Shareholders)

S. No	**Name of the Subscriber, address, Description and Occupation, with their Signatures**	**No. of equity shares by each subscriber**	**Signature of witness and their address and description and occupation**
1	Andhra Pradesh Power Generation Corporation Limited.	1,00,000 shares of Rs.10 each	Sri B.Venkateswarlu Reddy, Director (Finance & Commercial)/AP GENCO
2	Sri G.Sai Prasad, IAS., CMD, APSPCL	One Share	
3	Dr.Srikanth Nagulapalli, IAS., CMD/AP TRANSCO	One Share	
4	Sri B.Sreedhar, IAS., Managing Director/AP GENCO	One Share	
5	Ms Nagalakshmi Selvarajan,IAS CMD, APEPDCL, Visakhapatnam	One Share	
6	Sri S.S.Rawat,IAS, Principal Secretary to Govt, Finance	One Share	
7	Sri H.Haranatha Rao, CMD/APSPDCL/Tirupati	One Share	
8	Sri J.Padma Janardhana Reddy, CMD/APCPDCL/ Vijayawada	One Share	
9	Sri B.A.V.P.Kumara Reddy, Deputy Secretary to Govt., Energy Department	One Share	

Note: The above subscribers will be for incorporation of the New Company only. The Government shall appoint new Shareholders after incorporation/ Commencement of Business of the Company for running the business of the Company.

V. The Memorandum & Articles of Association of the Company will be prepared as per the provisions of the Companies Act, 2013.

VI. Sri. B.Venkateswarlu Reddy, Director (Finance & Commercial)/AP GENCO is nominated on behalf of Andhra Pradesh Power Generation Corporation Limited for signing on the papers/deeds /documents for the incorporation of the New Company.

VII. The Managing Director, APGENCO and the Company Secretary, APGENCO are authorized to Sign necessary documents and filing with the ROC for incorporation of above New Company.

9. The Managing Director, AP GENCO, Vijayawada and Chairman & Managing Director of New Company shall take further necessary accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G. SAI PRASAD
EX- OFFICIO PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director, Andhra Pradesh Power Generation Corporation, Vijayawada.
The CMD, APTRANCO, Vijayawada.
The CMD, APSPDCL, APCPDCL and APEPDCL, Tirupati, Vijayawada, and Visakhapatnam.
The VC & MD, NREDCAP, Tadepalli, Guntur District.
The CMD, APSPCL, Tadepalli, Guntur District.
The Commission Secretary, Andhra Pradesh Electricity Regulatory Commission, Red Hills, Hyderabad.

Copy to:
The AG, AP, Vijayawada.
The Pay and Accounts Officer, Vijayawada.
The P.S to Principal Secretary to CM.
The Principal Advisor to CM.
The P.S to Chief Secretary to Govt.
The P.S to Secretary to Govt, Energy Department.
The General Administration (SC.A) Dept.
SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER